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THE UNITED STATES PATENT AND TRADEMARK OFFICE

Appl. No. : 09/637,387
Appellant : Amy Haugen et al.
Filed : August 11, 2000
TC/A.U. : 3622
Examiner : Jean D. Janvier

Docket No. : 2829-140
Customer No. : 6449
Confirmation No. : 8884

REPLY TO THE EXAMINER'S ANSWER MAILED JULY 5, 2006

Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Dear Sir:

This is a reply to the Examiner's *second* Answer dated July 5, 2006.

The Examiner's lengthy answer fails to address the actual language of the rejected claims. Independent claim 3 recites a redemption method comprising, *inter alia*, "determining an authentication level required from the selected consumer to redeem the at least a portion of the awards, the authentication level being determined from the award transaction information stored in the transaction history database." (*Emphasis added*). Similarly, claim 10 recites a redemption system including a processor operable to perform steps including "determining an authentication level required from the selected consumer to redeem the at least a portion of the awards, the authentication level being determined from the award transaction information associated with the selected consumer and maintained in the transaction history database." (*Emphasis added*). Similarly, independent claim 13 recites a redemption system comprising, *inter alia*, "means for determining from the award information in the transaction history database, an authentication level required from the selected consumer to redeem the at least a portion of the awards." (*Emphasis added*).

In accordance with an embodiment of the present invention, a transaction history database tracks the activity of program participants. For example, the transaction history database tracks whether a particular consumer has participated solely in low authentication

promotion programs or whether that customer has also participated in high authentication promotion programs, such as when making a product purchase using a credit card. When the consumer attempts to redeem awards issued by a low authentication promotion program, the redemption system uses the information in the transaction history database to determine the level of authentication required from the consumer for the redemption. For example, if the consumer has participated only in low authentication promotion programs (e.g., programs requiring that the consumer provide nothing more than an e-mail address as authentication information), then a higher level of authentication (e.g., a credit card number) may be required for the consumer to redeem the awards. On the other hand, if the consumer has participated in both low and high authentication promotion programs, the consumer need only satisfy low authentication requirements to redeem the awards, since high authentication information has already been provided. Accordingly, consumers need not repeatedly provide high authentication information to participate in award programs.

The cited reference Biorge simply does not teach or suggest this feature of the claimed invention. That is, Biorge '045 does not describe determining an authentication level required from the consumer based on transaction history data. The Examiner's Answer summarizes and cites to extensive portions of the Biorge disclosure, but the Answer includes no explanation indicating how the disclosure of Biorge supposedly corresponds to the specific language of any particular claim. Moreover, the disclosure summarized in the Answer does not correspond to the features of the rejected claims.

At page 7 of the Answer, the Examiner describes the verification process described in Biorge, which is characterized as a two-fold process where the user device is verified by an exchange of codes between the user device and the merchant device and the user is verified by the user entering a predefined code. This does not correspond to the language of the rejected claims. In Biorge, every customer must be verified in this manner. Unlike the present invention, however, in the Biorge system, the necessary level of authentication required from the customer does not depend on any data stored in a transaction history database. In the present invention, data from a transaction history database, which may include prior authentication information provided by the customer in a prior transaction, is queried to determine the required level of authentication that will be required from the customer during a particular redemption.

The Examiner further explains at pages 8-9 of the Answer how Biorge discloses that if a customer seeks to redeem an amount of points which exceed authorized limits, further authorization may be required to permit the attempted redemption. This fails to correspond to the claim language for two reasons. First, preset redemption limits do not constitute transaction history data. These are rules for limits previously defined in applicable awards transactions and are set by the sponsor of the award program. Second, the additional authorization that is required to exceed these predefined limits is not an authentication level required from the selected customer. In this regard, the Examiner confuses an authorization which must come from a common remote authority in Biorge for the user-provided authentication of the claimed invention. (See e.g., Biorge, column 15, lines 41-45). Authorization in Biorge is permission to proceed with the transaction even though the transaction may violate a pre-defined rule, e.g., exceed a redemption limit. Authentication in the present invention is information provided by the consumer to establish or confirm the consumer's identity.

Finally, the Examiner explains at page 9 of the Answer that Biorge describes a circumstance in which further authorization from a remote common authority may be required when a customer's transaction seems to depart from the customer's transaction pattern, thereby preventing unauthorized users from using devices which may have been lost. Again, the Examiner confuses authorization for authentication. The authorization that is being described in Biorge is an authorization (i.e., permission) that comes from a common authority to allow a transaction to proceed. It is not a level of authentication required from a selected consumer that is based on transaction history data.

Therefore, for the foregoing reasons, Applicant respectfully submits that the cited reference Biorge does not teach or suggest all of the elements of the rejected claims, and it is respectfully requested that the rejections be reversed for that reason.

With respect to the dependent claims, the Examiner repeats, substantially verbatim, the comments made with respect to independent claims 3, 10, and 13. (See Answer pages 10-15), and makes no attempt to identify any disclosure of Biorge that corresponds with any particular element of the dependent claims.¹

¹ Substantial portions of the "response to arguments" section similarly comprises verbatim duplication of the comments made with respect to independent claims 3, 10, and 13 (see Answer pages 16-18 and 19-21).

Dependent claim 4 recites that "the award transaction information includes indications of authentication provided by the consumers." Biorge has no such disclosure. In Biorge, the data stored includes a reference user code, incentive credit totals, customer incentive codes, incentive program data, financial transaction data, demographics of the customer, and information relating to past transactions carried out using the device. (See column 8, lines 16-28).

Dependent claim 5 recites that the step of receiving award transaction information includes, *inter alia* "authenticating the at least one consumer to determine at least one indication of authentication from the at least one consumer; and including the at least one indication of authentication in the award transaction information." Biorge has no corresponding disclosure. Again, Biorge does not teach a transaction history database that stores authentication information previously provided by the consumer.

Dependent claim 7 recites that the "the authentication level is determined from the indications of authentication maintained in the transaction history database." Biorge has no corresponding disclosure. In Biorge, every consumer must be verified in the same manner when conducting a transaction, and additional authorizations, if necessary, do not depend on authentication levels provided by the consumer but are based on predefined rules, and the authorizations come from a central authority. The additional authorizations are not authentications that come from the consumer.

Dependent claim 8 recites that if the transaction history database indicates that the selected consumer has not provided a high level of authentication, then the authentication level required from the selected consumer will be determined to be the high level of authentication. Conversely, dependent claim 9 recites that if the transaction history database indicates that the selected consumer has provided a high level of authentication, then the authentication level required from the selected consumer will be determined to be a low level of authentication. Biorge has no disclosure corresponding to the elements of claims 8 or 9.

Claims 14 and 15 generally correspond to claims 8 and 9, respectively.

Next, turning to the Answer's "Response to Arguments," the Answer further states that "[a]s admitted by the Appellant, Biorge does disclose a verification process used to validate a redemption of at least a portion of the stored credits or awards." (Answer at p. 19). As explained above, Biorge describes a two-fold process where each user device is verified by an exchange of codes between the user device and the merchant device and each user is verified by the user

entering a predefined code. The claims require the step of "determining an authentication level required from the selected consumer." In Biorge, every customer must be verified in the same manner (i.e., the two-fold verification process). Unlike the present invention, however, the necessary level of authentication required from the customer in Biorge does not vary depending on any data stored in a transaction history database for that customer.

The Answer also states that the claims recite an authentication level rather than authentication levels as argued by Appellants. (Answer at p. 19). While the relevance of this point is not clear, the claims recite the step of "determining an authentication level required from the selected customer." This clearly implies that the required level would be one level among more than one different possible levels, otherwise, there would be no need to determine the level. Furthermore, dependent claims specifically refer to different authentication levels, i.e., high authentication and low authentication levels.

Much of the rest of the Response to Arguments is a repeat of the arguments made elsewhere in the Answer and have been addressed above.

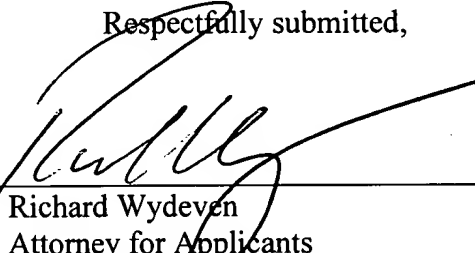
For the foregoing reasons, and for the reasons set forth in Applicants' opening Appeal Brief, Applicants respectfully request that the rejection of the Examiner be reversed.

Respectfully submitted,

Date:

8/25/06

By


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